



Los Angeles County AUDIT COMMITTEE

Carl Gallucci, Chair
4th District
Lori Glasgow, Vice-Chair
5th District
Louisa Ollague
1st District
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3rd District

June 10, 2014

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

10 June 10, 2014

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**SUNSET REVIEW FOR THE LOS ANGELES COUNTY
LABOR-MANAGEMENT ADVISORY COMMITTEE
ON PRODUCTIVITY ENHANCEMENT
(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

SUBJECT

Request to extend the sunset review date for the Los Angeles County Labor-Management Advisory Committee on Productivity Enhancement (LMAC or Committee) to August 30, 2015 and instruct the Committee to work with the Chief Executive Office (CEO) and County Counsel to reevaluate the Committee's objective, revise the mandate and determine which department will provide the Committee with staff support.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Extend the LMAC sunset review date to August 30, 2015.
2. Instruct the CEO to work with County Counsel to:
 - Reevaluate the Committee's objectives as it appears that they are no longer involved in activities aligned with the Board of Supervisor's original intent, but have continued to perform other activities approved by your Board;
 - Revise the Committee's mandate (e.g., mission, duties, meeting frequency, etc.) to include all activities approved by your Board; and
 - Determine which department will provide staff support to the Labor-Management Advisory Committee on Productivity Enhancement.

To enrich lives through effective and caring service

PURPOSE/JUSTIFICATION

At its meeting held February 19, 2014, the Los Angeles County Audit Committee considered and approved the attached recommendation of the Auditor-Controller.

The LMAC provides recommendations to the Board which will lead to cost savings and productivity enhancement in the County. The LMAC provides a forum for management and labor workforce to share information and perceptions on County operations to improve the effectiveness, efficiency and image of County government.

In addition, each of the Fringe Benefit Memoranda of Understanding (MOU) signed with the Coalition of County Unions (CCU) and Service Employees International Union Local 721 includes an item regarding the ongoing existence of the LMAC. The CCU MOU also extends the LMAC's duties to include developing and being responsible for an employee wellness program, administering the Civic Center Parking program and enhancing alternative transportation (e.g., van pools, carpools, etc.) for County employees whose headquarters are in the Civic Center. Also, it appears that the LMAC has duties regarding the Employee Suggestion Awards program. Due to the various sources of the LMAC's duties, we recommend that the LMAC work with County Counsel to update their mandate with all of their Board-approved duties.

Board Policy No. 3.010 – Workplace Charitable Giving Standard, also extended the Committee's duties to include coordinating the Charitable Giving Campaign. However, in October 2012, the CEO indicated that the LMAC no longer coordinates the Charitable Giving Campaign, and the Board Policy was revised to remove all LMAC references. Due to this change, the CEO is no longer providing staff support to the LMAC.

FISCAL IMPACT

Committee members are not compensated for their service; however, the CEO estimates that they had been spending approximately \$15,000 annually for staff support.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Committee was established in 1981 and your Board approved the most recent sunset review date extension in December 2002.

The LMAC has 12 members: six County management representatives recommended by the CEO; and six labor representatives and two alternates recommended by the unions.

The LMAC has no attendance records from January 2010 through March 2010. From April 2010 through March 2012, the LMAC met eight times (approximately four times per year).

Honorable Board of Supervisors
June 10, 2014
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Because the LMAC's meeting frequency is not stated in the Board Order establishing the LMAC, the Auditor-Controller did not comment on the number of meetings the LMAC held during the review period. For the eight meetings that the Committee held, it was noted that an average of 10 (83%) of the 12 members were present. However, the LMAC has not met since April 2012 due to a lack of quorum, and as of October 2012, the CEO has not scheduled any meetings for the LMAC as they are no longer providing staff support.

IMPACT ON CURRENT SERVICE (OR PROJECTS)

The LMAC did not appear to be involved in activities aligned with their original 1981 Board Order that established the Committee, and they are no longer coordinating the Charitable Giving Campaign. In addition, the LMAC's accomplishments during the review period were primarily limited to approving Wellness Fairs and reviewing information regarding the Rideshare Program.

The LMAC plans to continue with its responsibilities related to the MOU and would like to discuss the Committee's other future objectives at their next meeting. However, the scheduling of their next meeting is pending until a department is designated to provide staff support to the LMAC.

Respectfully submitted,



Carl Gallucci
Chair, Audit Committee

CG:ld

Attachment(s)

- c: Executive Officer of the Board of Supervisors
- Auditor-Controller
- Chief Executive Officer
- Chief, Commission Services
- Chair, Labor-Management Advisory Committee
- on Productivity Enhancement



**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 525
LOS ANGELES, CALIFORNIA 90012-3873
PHONE: (213) 974-8301 FAX: (213) 626-5427

WENDY L. WATANABE
AUDITOR-CONTROLLER

September 30, 2013

TO: Audit Committee

FROM: Wendy L. Watanabe
Auditor-Controller

A handwritten signature in blue ink, reading "Wendy L. Watanabe", is written over the printed name and title.

SUBJECT: **SUNSET REVIEW FOR THE LOS ANGELES COUNTY LABOR-
MANAGEMENT ADVISORY COMMITTEE ON PRODUCTIVITY
ENHANCEMENT**

RECOMMENDATIONS

The Audit Committee recommend to the Board of Supervisors to extend the Labor-Management Advisory Committee on Productivity Enhancement's sunset review date to September 30, 2014.

The Audit Committee instruct the Labor-Management Advisory Committee on Productivity Enhancement to work with the Chief Executive Office and County Counsel to:

- Reevaluate the Labor-Management Advisory Committee on Productivity Enhancement's objectives as it appears that they are no longer involved in activities aligned with the Board of Supervisors' original intent, but has continued to perform other activities approved by the Board of Supervisors.
- Revise the Labor-Management Advisory Committee on Productivity Enhancement's mandate (e.g., mission, duties, meeting frequency, etc.) to include all activities approved by the Board of Supervisors.
- Determine which department will provide staff support to the Labor-Management Advisory Committee on Productivity Enhancement.

BACKGROUND

The Board of Supervisors (Board) established the Labor-Management Advisory Committee on Productivity Enhancement (LMAC or Committee) in 1981. The Board approved the most recent sunset review date extension in December 2002.

Per the Board Order that established the Committee, the LMAC provides recommendations to the Board which will lead to cost savings and productivity enhancement in the County. The LMAC provides a forum for management and labor workforce to share information and perceptions on County operations to improve the effectiveness, efficiency, and image of County government.

In addition, each of the fringe benefit memoranda of understanding (MOU) signed with the Coalition of County Unions (CCU) and Service Employees International Union Local 721 includes an item regarding the ongoing existence of the LMAC. The CCU MOU also extends the LMAC's duties to include developing and being responsible for an employee wellness program, administering the Civic Center Parking program, and enhancing alternative transportation (e.g., van pools, carpools, etc.) for County employees whose headquarters are in the Civic Center. Also, it appears that the LMAC has duties regarding the Employee Suggestion Awards program. Due to the various sources of the LMAC's duties, we recommend that the LMAC work with County Counsel to update their mandate with all of their Board- approved duties.

Board Policy 3.010, Workplace Charitable Giving Standard, also extended the Committee's duties to include coordinating the Charitable Giving Campaign. However, on October 2012, the Chief Executive Office (CEO) indicated that the LMAC no longer coordinates the Charitable Giving Campaign, and the Board Policy was revised to remove all LMAC references. Due to this change, the CEO is no longer providing staff support to the LMAC.

The LMAC has 12 members, six County management representatives recommended by the CEO and six labor representatives recommended by the unions. Committee members are not compensated for their service. The CEO estimates that they had been spending approximately \$15,000 annually for staff support.

JUSTIFICATION

The LMAC has no attendance records from January 2010 through March 2010. From April 2010 through March 2012, the LMAC met eight times (approximately four times per year). Because the LMAC's meeting frequency is not stated in the Board Order establishing the LMAC, we cannot comment on the number of meetings the LMAC held during the review period. For the eight meetings that the Committee held, we noted an average of ten (83%) members were present. In addition, the LMAC has not met since April 2012 due to a lack of quorum and, as of October 2012, the CEO has not scheduled any meetings for the LMAC as it is no longer providing staff support.

The LMAC did not appear to be involved in activities aligned with their original 1981 Board Order that established the Committee, and they are no longer coordinating the Charitable Giving Campaign. In addition, the LMAC's accomplishments during the review period were primarily limited to approving Wellness Fairs and reviewing information regarding the Rideshare Program.

The LMAC plans to continue with its responsibilities relating to the MOU, and would like to discuss the Committee's other future objectives at their next meeting. However, the scheduling of their next meeting is pending which department will provide staff support to the LMAC.

Please call me if you have any questions, or your staff may contact Robert Smythe at (213) 253-0101.

WLW:RS:TK

Attachment

c: Arlen "Bud" Treece, Chair, LMAC
Frank Cheng, Manager, Chief Executive Office
Twila Kerr, Acting Chief, Commission Services

COMMISSION SUNSET REVIEW
LABOR-MANAGEMENT ADVISORY COMMITTEE ON PRODUCTIVITY
ENHANCEMENT
REVIEW COMMENTS

Mission. (Does the mission statement agree with the Board of Supervisors' (Board) purpose and expectations?)

The mission as stated by the Labor-Management Advisory Committee on Productivity Enhancement (LMAC or Committee) does not agree with the mission per the Board Order that established the Committee. **DO NOT CONCUR**

Section 1. Relevance. (Is the mission still relevant and in agreement with the Board's purpose and expectations?)

The LMAC's mission per the Board Order that established the Committee states that the LMAC provides recommendations to the Board which will lead to cost savings and productivity enhancement in the County. The LMAC provides a forum for management and labor workforce to share information and perceptions on County operations to improve the effectiveness, efficiency, and image of County government.

The LMAC's mission appears to be **RELEVANT**.

Section 2. Meetings and Attendance. (Are required meetings held and is attendance satisfactory?)

The LMAC has no attendance records from January 2010 through March 2010. From April 2010 through March 2012, the LMAC met eight times (approximately four times per year). Because the LMAC's meeting frequency is not stated in the Board Order establishing the LMAC, we cannot comment on the number of meetings the LMAC held during the review period. For the eight meetings that the Committee held, we noted an average of ten (83%) members were present. In addition, the LMAC has not met since April 2012 due to a lack of quorum and, as of October 2012, the CEO has not scheduled any meetings for the LMAC as it is no longer providing staff support.

The LMAC's average attendance is **SATISFACTORY**.

Sections 3 and 4. Accomplishments and Results. (Are listed accomplishments and results significant?)

The LMAC did not appear to be involved in activities aligned with their original 1981 Board Order that established the Committee, and they are no longer coordinating the Charitable Giving Campaign. In addition, the LMAC's

accomplishments during the review period were primarily limited to approving Wellness Fairs and reviewing information regarding the Rideshare Program.

The LMAC's accomplishments and results are **NOT SIGNIFICANT**.

Section 5. Objectives. (Are the objectives compatible with the mission and goals and relevant within the current County environment?)

The LMAC plans to continue with its responsibilities relating to the MOU, and would like to discuss the Committee's other future objectives at their next meeting. However, the scheduling of their next meeting is pending which department will provide staff support to the LMAC.

The LMAC's future objectives appear **NOT RELEVANT**.

Section 6. Resources. (Are the resources utilized by the entity in support of the entity's activities warranted in terms of the accomplishments and results?)

Committee members are not compensated for their service. The CEO estimates that they had been spending approximately \$15,000 annually for staff support.

The LMAC's expenses appear to be **NOT WARRANTED**.

Section 7. Recommendation.

**EXTEND THE SUNSET REVIEW DATE FOR THE LOS ANGELES COUNTY
LABOR-MANAGEMENT ADVISORY COMMITTEE ON PRODUCTIVITY
ENHANCEMENT TO SEPTEMBER 30, 2014.**